

AGENDA: March 25, 2003

4.16

CATEGORY: Consent

DEPT.: City Manager

TITLE: Position in Opposition to SB 100 (Dunn)—
Public Employees' Retirement: Local
Safety Members' Benefits

RECOMMENDATION

Adopt a position in opposition to SB 100 (Dunn) relating to public employees' retirement, specifically related to local safety members' benefits.

FISCAL IMPACT

There is no fiscal impact directly associated with the opposition of SB 100. If SB 100 is passed into law, there is the potential for a significant fiscal impact in the form of increased benefits payments to retiring public safety employees.

BACKGROUND AND ANALYSIS

SB 100, authored by State Senator Joseph Dunn and sponsored by the Police Officers Research Association of California (PORAC), would amend the Public Employees' Retirement Law to increase the benefit limitation from 90 percent to 100 percent of final compensation for local safety members who retire on or after January 1, 2004. In 2002, a similar bill was approved, increasing benefit limitations from 85 percent to 90 percent for local safety members who retire on or after January 1, 2002.

The League of California Cities (LCC) has taken a position in opposition to this bill, noting that SB 100 is an unfunded State mandate that could have a significant fiscal impact. LCC is also concerned about the involvement of PORAC in the drafting and sponsorship of the bill, believing that it was drafted without giving consideration to the lack of available funding to support the increase in benefit limitations.

Supporters of the bill include: Anaheim Police Department; the Association of Orange County Deputy Sheriffs; the San Francisco Deputy Sheriff Association; Sacramento County Sheriffs Association; the State Coalition of Probation Officers; and the California State Firefighters Association.

The Santa Clara County Cities Association (SCCCA) has not taken a position on this bill. No independent analysis has been drafted by the Senate Appropriations Committee.

AGENDA: March 25, 2003

PAGE: 2

CONCLUSION

If enacted, SB 100 will likely have a significant fiscal impact on State and local budgets, and staff is recommending that Council adopt a position in opposition to SB 100.

PUBLIC NOTICING—Agenda posting.

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Attachment: 1. SB 100